RBI has further reported that based on the recommendations of the Nayak Committee, it has simplified the procedure for providing credit to SSI units. All commercial banks has been instructed by RBI to sanction working capital limits of less than Rs. two crores to SSI units on the basis of 20per cent of their projected annual turnover. Banks have also been instructed to give preference to village industries, tiny industries and other small scale units in that order, while meeting the credit requirements of the SSI sector. RBI has also advised banks that all loan applications upto credit limit or Rs. 25,000/- should be disposed of within a fortnight and those over Rs. 25,000/- within 8-9 weeks. All public sector banks were advised by RBI to implement the Seven Point Action Plan to improve the flow of credit to SSI Sector as announced in the Budget for the year 1995-96. Banks have also been advised by RBI to send monthly progress reports. Progress made in the implementation of the plan is being reviewed periodically by RBI.

Implementation of Revival Schemes Sanctioned by BIFR

2232. SHRI SANJAY DALMIA: Will the Minister of FINANCE be pleased to state:

(a) whether the Board for Industrial and Financial Reconstruction has warned the banks and financial institutions to be more vigilant to ensure implementation of revival schemes sanctioned by the Board;

(b) if so, whether any cell has been set up to monitor the half-yearly progress report to be submitted by the sick industries|units;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) The Board for Industrial and Financial Reconstruction (BIFR) has reported that it has a Monitoring Division which monitors the implementation of the revival schemes. The monitoring agencies and sick industrial companies concerned are required to send to the BIFR half-yearly progress reports regarding the implementation of revival schemes. BIFR held a meeting of the representatives of the monitoring agencies recently to discuss measures for further improving the monitoring of the implementation of revival schemes.

(d) Does not arise.

Rent for Bank Lockers

2233. SHRI PARMESHWAR KUMAR AGARWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some Nationalised Banks have doubled the rents for bank lockers;

(b) if so, the justification and whether the cost of this service doubled in a single year; whether it is mandatory to give prior intimation to locker holders for such increase;

(c) whether it is also a fact that some banks are charging advance rent for three years, without intimation to locker holders; and

(d) what action Government proposes to such monopolistic practices as locker holders have no other choice,

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) Some nationalised banks have increased the locker rent by 50 percent to 100 percen depending on size of the locker, location of the branch etc. Most of these banks have revised the rent after a period of five years. In view of substantial increase in various input costs like ren. of branch premises, capital cost of locker, establishment cost etc. banks had to increase the rental of lockers.

(c) Options are given by some banks to the locker-holders to pay three years rent in advance with prior intimation to them in terms of Reserve Bank of

India guidelines with a view to minimising locker rent falling in arrears. However, some banks charge advance rent for one year only. Banks are giving advance intimation to locker-holders by written communication or by way of display on the notice board in the branch premises about enhancement in the locker rent.

(d) Banks have denied adopting any monopolistic practices in this regard.

Devaluation of Indian Currency

2234. DR. MOHAN BABU:

SHRI SOLIPETA RAMACHADRA REDDY:

SHRI SANJAY DALMIA:

Will the Minister of FINANCE be pleased to state:

(a) whether devaluation of Indian currency is continuously going on in comparison to pound, dollar, German mark and Japanese yen;

(b) the present value of Indian rupee *vis-a-vis* the value in 1960;

(c) whether Government propose to increase the rate of interest to curb the devaluation of Indian rupee; and

(d) the steps taken/proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRSI SATPAL MAHARAJ): (a) The exchange rate of the rupee is market determined. Under the system, the rupee remained broadly stable during March 1996 to June 1997 *vis-a-vis* the US dollar. Reflecting the movements of other international currencies *vis-a-vis* the US dollar in the international financial markets, the Indian rupee appreciated agains. the German Mark and the Japanese Yen but depreciated against the Pound sterling during the same period.

(b) The external value of the Indian rupee *vis-a-vis* the US dollar on 25th July, 1997 was Rs. 35.7025 as compared to Re. 4.7691 in 1960.

(c) and (d) The foreign exchange market is monitored closely by the Reserve Bank of India and steps are taken as and when necessary, to maintain orderly foreign exchange market conditions as will as to ensure that the exchange rate of the rupee remains consistent with economic fundamentals.

Lowest Credit Deposit Ratio in Manipur

2235. SHRI W. ANGOU SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the Credit Deposit Ratio (CDR) i.e. per capita credit disbursement for Manipur is lowest in the country;

(b) the credit-deposit ratio/per capita credit disbursement of the country on State-wis basis; and

(c) the measures contemplated by Government to bring up the backward States at par with other States on credit-deposits ratio/per capita credit disbursement so as to enable the backward States equalize at national level?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRSI SATPAL MAHARAJ): (a) and (b) As reported by Reserve Bank of India (RBI), the State-wise Credit Deposit Ratio and per capita credit outstanding for the period ending March 1997 of all scheduled commercial banks is given at the statement (*See* below). The CD Ratio for Manipur is 57.5 per cent as against an All India average of 57.3 per cent.

(c) The credit deposit ratio in a particular State or Region depends upon the credit absorption capacity of the State/Region which in turn is determine and influenced by factors such as development of infrastructural facilities like irrigation power, rail, road transport, basic and technical education, entrepreneurship and availability of required inputs and marketing outlets for agricultural and industrial production. The RBI had set up